

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	CSR-8537-Z
Adams Cable Equipment, Inc.	)	
	)	CS Docket No. 97-80
Petition for Reconsideration of Adams Cable	)	
Equipment, Inc.	)	

**MEMORANDUM OPINION AND ORDER**

**Adopted: July 31, 2014**

**Released: July 31, 2014**

By the Senior Deputy Chief, Policy Division, Media Bureau:

1. On July 26, 2013, the Media Bureau (“Bureau”) adopted and released a *Memorandum Opinion and Order* (“*ACE Waiver Order*”) granting “a limited, conditional waiver of the ban on deploying set-top boxes with integrated security” to third-party cable operators that leased integrated set-top boxes refurbished by Adams Cable Equipment, Inc. (“ACE”).<sup>1</sup> In addition to limiting the number of integrated set-top boxes that ACE could sell, the *ACE Waiver Order* required “ACE to file 6-month and 12-month reports... detail[ing] the number of devices sold directly to consumers as opposed to cable operators.”<sup>2</sup> The deadlines for filing the six-month and twelve-month reports took effect “from the date on which [ACE made] its first sale subject to” the *ACE Waiver Order*.<sup>3</sup>

2. On July 3, 2014, ACE filed its six-month report with the Commission.<sup>4</sup> Accompanying ACE’s six-month report was ACE’s Motion to Accept Late-Filed Report (“Motion”).<sup>5</sup> The Motion stated that ACE sold its first device subject to the *ACE Waiver Order* in August 2013, which established February 2014 as the deadline to file its six-month report.<sup>6</sup> In addition to requesting that the Commission accept ACE’s late-filed six-month report, the Motion asked that the deadline for ACE’s twelve-month report be pushed to January 12, 2015, so that it could “include data through December 31, 2014.”<sup>7</sup>

3. ACE’s Motion states that the “public has not been materially harmed by [ACE’s] omission because only a very small number of set-top boxes have been sold to cable operators.”<sup>8</sup>

<sup>1</sup> *Adams Cable Equipment, Inc. Request for Waiver of Section 76.1204(a)(1) of the Commission’s Rules*, Memorandum Opinion and Order, 28 FCC Rcd 11011, ¶ 1 (MB 2013). See also 47 C.F.R. § 76.1204(a)(1). The separation of the security element from the basic navigation device required by this rule is referred to as the “integration ban.”

<sup>2</sup> *Id.* at 11015, ¶ 5.

<sup>3</sup> *Id.* at 11018, ¶ 7.

<sup>4</sup> *Adams Cable Equipment, Inc. Request for Waiver of Section 76.1204(a)(1) of the Commission’s Rules*, Report, CSR-8537-Z (filed July 3, 2014) (“Report”).

<sup>5</sup> *Adams Cable Equipment, Inc. Request for Waiver of Section 76.1204(a)(1) of the Commission’s Rules*, Motion to Accept Late-Filed Report, CSR-8537-Z (filed July 3, 2014).

<sup>6</sup> See *id.* at 1.

<sup>7</sup> *Id.* at 2.

<sup>8</sup> Motion at 1.

Moreover, we find that the four-month delay in ACE's reporting did not materially affect the public interest benefits that the Bureau found in the *ACE Waiver Order*.<sup>9</sup> We therefore decline to revoke the conditioned waiver set forth in the *ACE Waiver Order*. We caution ACE to diligently meet its next reporting deadline.

4. Accordingly, **IT IS ORDERED** that ACE's Motion to Accept Late-Filed Report is granted. As a result, ACE's six-month report is accepted, and the deadline for ACE's report containing data through December 31, 2014, is extended to January 12, 2015.<sup>10</sup>

5. This action is taken pursuant to authority delegated by Section 0.283 of the Commission's rules, 47 C.F.R. § 0.283.

FEDERAL COMMUNICATIONS COMMISSION

Steven A. Broeckaert  
Senior Deputy Chief, Policy Division  
Media Bureau

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<sup>9</sup> *ACE Waiver Order*, 28 FCC Rcd at 11015-8, ¶¶ 6-7.

<sup>10</sup> We note that nothing in this *Memorandum Opinion and Order* should be construed to impact ACE's Petition for Reconsideration of Adams Cable Equipment, Inc., which is still pending. *See* Adams Cable Equipment, Inc. Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules, Petition for Reconsideration of Adams Cable Equipment, Inc., CSR-8537-Z (filed August 16, 2013).